Andersen Consulting

Student Financial Assistance

Financial Partners Transformation

Project Management Plan

Interim Deliverable

June 2000

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- **Financial Partners Transformation**
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  - **Performance Plan**

Purpose of the Interim Project Management Plan

- The Interim Project Management Plan updates the Initial Project Management Plan, including an updated project management approach and tools. The Financial Partners Leadership Team Meeting, initially scheduled to be held quarterly, was not conducted due to a change in the Channel General Manager. Therefore, this document will not contain the presentation materials associated with that meeting.

- The Financial Partners Channel continues to undergo a major transformation affecting its business processes, technology, and organizational aspects. The transformation has maintained its focus around the key success factors identified earlier:

    - Achieving partner satisfaction by listening to and responding to our partners' needs.
    - Instituting cost-effective core processes by simplifying core processes and reducing processing time for key functions.
    - Increasing employee satisfaction by fostering an environment for a better informed, proactive, and empowered staff who can anticipate and meet the needs of our partners.

Overall, the Financial Partners Transformation effort remains on schedule. The current Analysis and Design phase is scheduled for completion by September 30, 2000. The chart below outlines the scope of the project facilitation effort and the progress to date.

Phase	Purpose	Status
Project Start-up	Define scope and hold kick-off. Create draft project plan and identify team members consistent with identified resources and effort proposed in this task order. Confirm the scope/ plans/team and get input from the General Manager and team leads within the Financial Partners channel. Receive authorization to proceed.	Complete
Program Design	Review current environment and design program to support Financial Partners initiative structure 1. Review best practice project management principles 2. Design project management process 3. Design project management support tools	Complete
Program Facilitation and Execution	Conduct project management program 1. Initiate and support project management process 2. Implement project management tools and methods	In Progress
Program Continuous Improvements	Review project management process and tools and revise/enhance as appropriate.	In Progress
Delivery	Deliver final package of project management processes, tools, and methods to General Manager and Financial Partners leadership team.	Scheduled to Start in mid-July

Several changes have occurred within the program since the initiation of the Financial Partners Transformation effort, including:

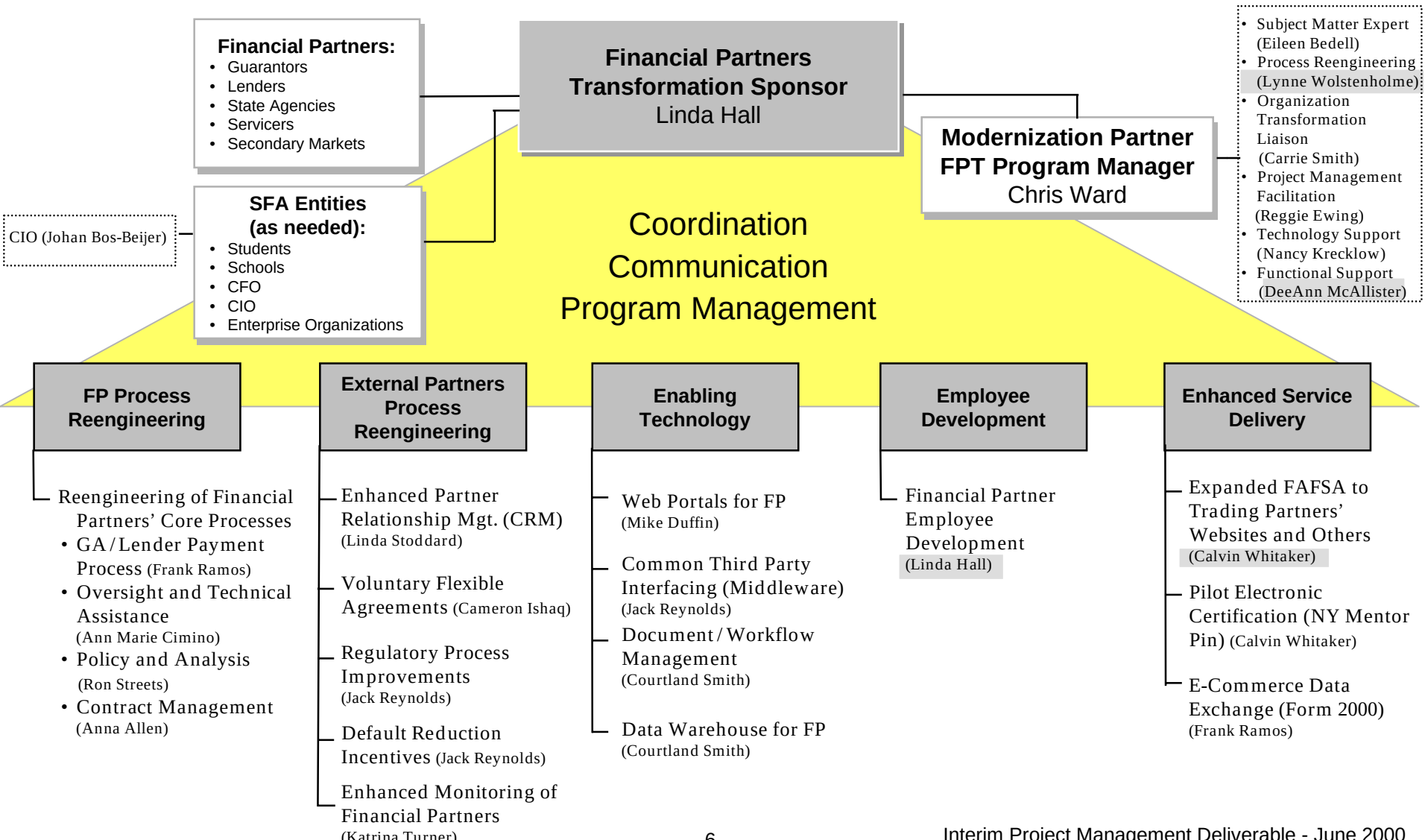
- The Modernization Partner has responded to a need for additional functional and technical support by working with the Financial Partner Team Leads and the CIO organization. These teams will work to complete business and functional requirements, and to identify improvement opportunities and develop technical and conceptual designs.

- The Program Delivery Model has been updated to reflects changes to the Team Leads for the Employee Development and Expanded FAFSA to Trading Partners' Website. In addition, changes to the Modernization Partner team are reflected.

- The Program Delivery Schedule has been updated to reflect a change to the 'Expanded FAFSA to Trading Partners' Website project. Due to the delayed progress of this project as a result of a change in the General Manager position, the project's end date was extended to August 31, 2000.

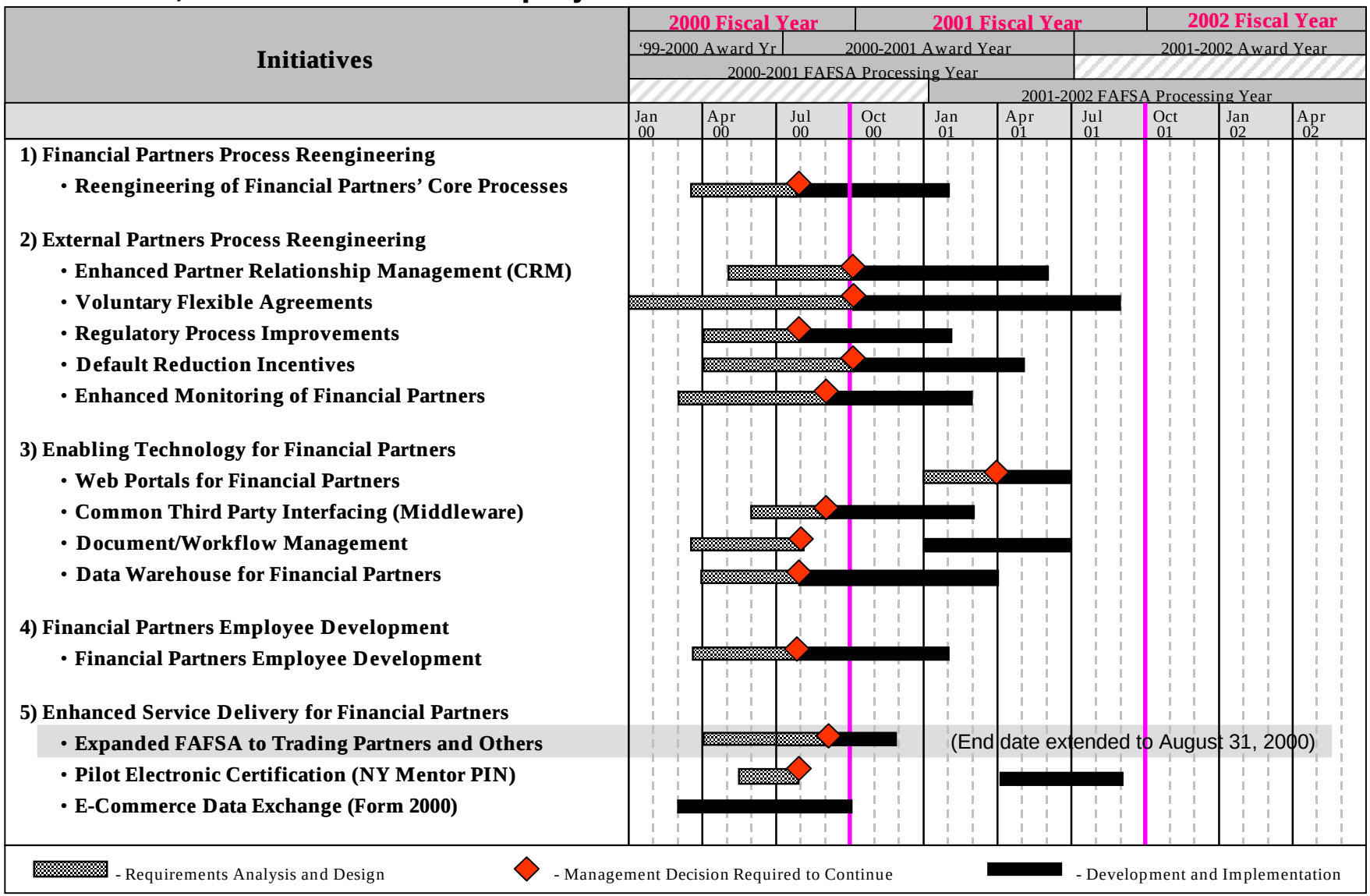
Financial Partners Transformation
Program Delivery Model

Updates to the Program Delivery Model are indicated by shaded areas:

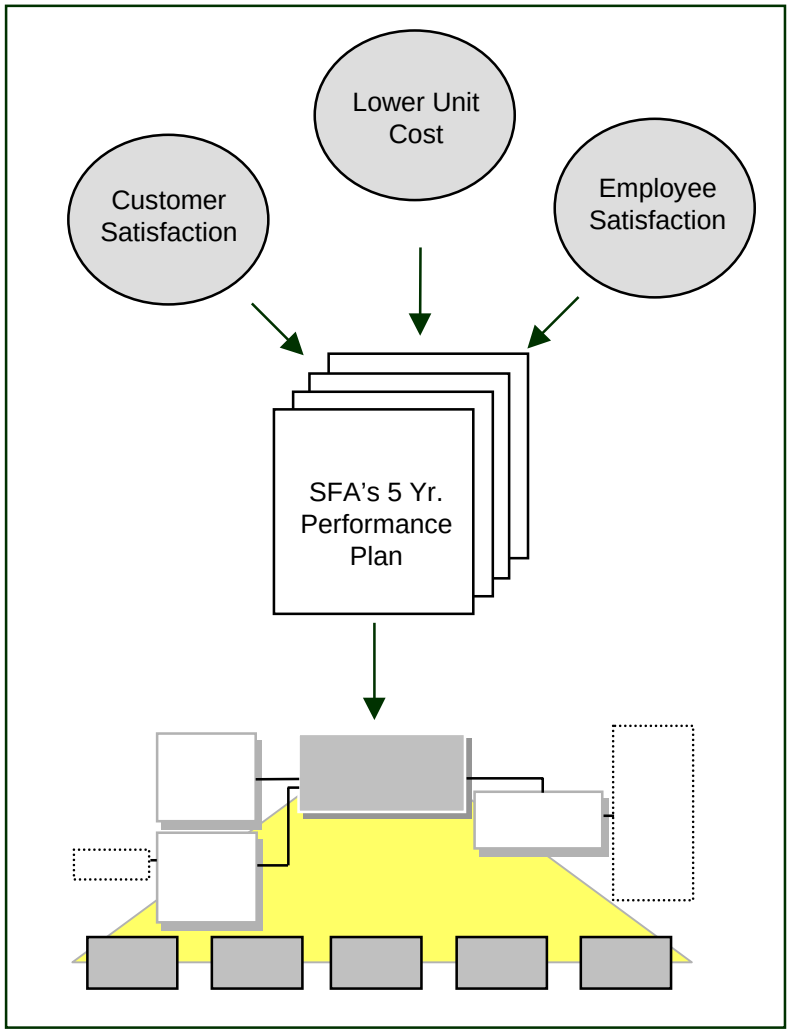


Financial Partners Transformation
Program Delivery Schedule

In addition, the end date for one project has been extended.



SFA's Five Year Performance Plan was developed to identify the critical areas used to measure overall performance of the Financial Partners Channel.



- Within Financial Partners, 15 Performance Plan Action Items were identified (see next page).
- These performance measures are closely aligned with achieving SFA's goals of Customer Satisfaction, Lower Unit Cost and Employee Satisfaction.
- In addition to aligning performance measures to SFA's objectives, Financial Partners has developed a Crosswalk document (referenced in Appendix A) that illustrates the connection between the Performance Plan and the FPT projects.
- The Financial Partners Channel will continue to evaluate the progress of its transformation effort by monitoring the completion of the Performance Plan Action items.

Five Year Performance Plan Action Items

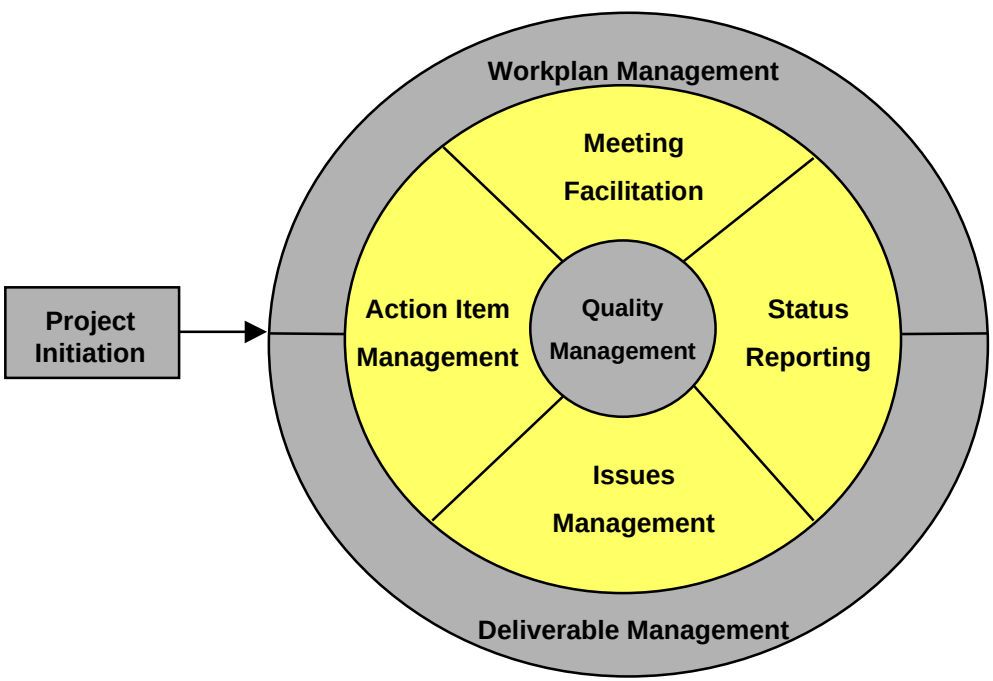
1. Respond to internal audit reports within the specified timeframe.
2. In cooperation with GAs, develop electronic payment/reporting systems - GA/Lender Payment Process (September 2000).
3. Assign each financial partner a contact point within a customer service team with the know-how and the authority to get questions answered and problems solved (January 2000).
4. Partner with current GA and lender groups to develop guiding principles of quality service, training and TA materials, performance data, common standards and operating rules to simplify transactions (June 2000).
5. Enter into a maximum of 6 VFAs with Guaranty Agencies (June 2000).
6. Reduce the lifetime default rate.
7. Increase the default recovery rate for defaulted loans held by Guaranty Agencies (October 2000).
8. Identify guarantors and lenders that submit late audit reports and take appropriate action.

Five Year Performance Plan Action Items (continued)

9. Continue to work with GAs and lenders to maintain the quality of data in NSLDS.
10. Give guarantors access to all information in NSLDS subject to Privacy Act considerations and appropriate security measures (September 2000).
11. Involve our partners in the design of everything that affects them (April 2000).
12. Continuously ask our financial partners “Are we doing a better job as your partner?” and “What can we do next year to improve even more?”
13. Within FP, develop a project team and management methodology consistent with SFA enterprise-wide tools.
14. Create a rapid response team to identify and to address administrative problems (January 2000).
15. Reduce fraudulent death and disability cases below the 1998 baseline (December 1999).

- **Project Management Approach**
  - **Overview**
  - **Team Management**
    - **Project Initiation**
    - **Workplan Management**
    - **Deliverable Management**
    - **Quality Management**

The Project Management Facilitation Model below illustrates the approach used by the Team Leads to manage the Financial Partners Transformation program.



Project Initiation - Team Charters were created by Team Leads to ensure that new team members understood project scope, objectives, and timeframes.

Workplan Management - Project workplans were created for each initiative to develop project tasks and to track project progress.

Deliverable Management - The program progress tracking report tool was created to manage the progression and completion of deliverables.

Quality Management - A quality management review process will be implemented to ensure that each project team meets or exceeds stakeholders expectations.

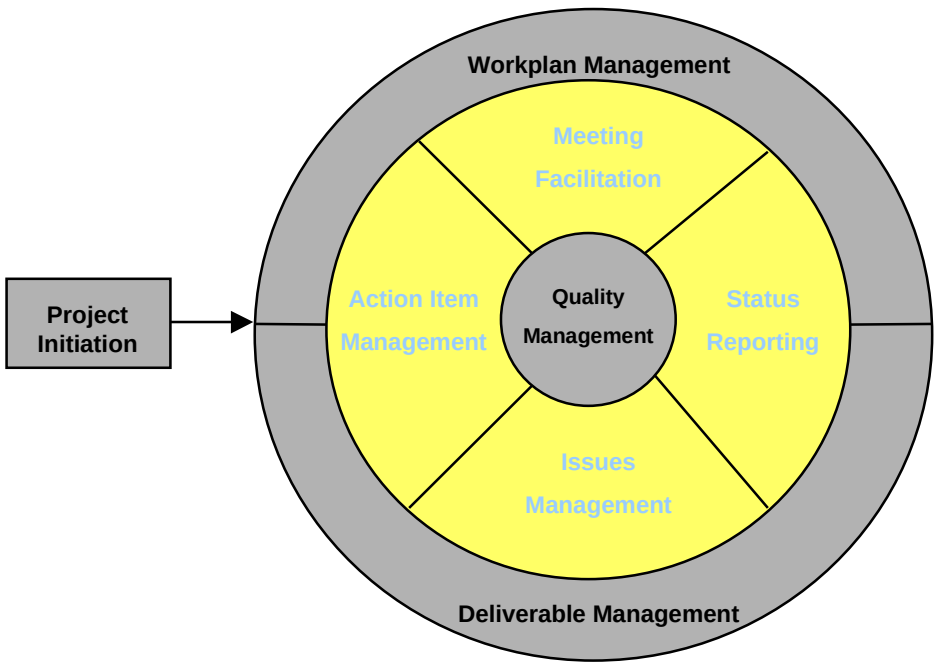
Meeting Facilitation - The project management and facilitation team facilitates weekly team meetings and captures status through meeting minutes.

Status Reporting - The summary status report is distributed bi-weekly to update key stakeholders on the Financial Partners Transformation progress.

Issues Management - The Issues log is updated weekly to reflect management concerns and risks that impact projects.

Action Item Management - The action item log is maintained to focus on routine project items requiring prompt resolution.

Beginning with Team Management, which involves four processes, team leads are responsible for fostering high performing teams, managing the progress of their work and ensuring high quality work products.



Team Management Processes and Tools

- Project Initiation - Team Charters
- Workplan Management - Project Workplan Template
- Deliverable Management - Program Progress Tracking Report
- Quality Management - Quality Management Review Sessions

In early May, Team Leads conducted kick-off meetings to finalize project team charters and solicit feedback and participation from new team members.

- Team Charters (referenced in Appendix B) outline the initiatives mission, goals, key success indicators, milestones and deliverables. The team charter also identifies team members and acts as a foundation for teamwork and high performing teams.

- Milestones and deliverables that were identified within the team charters include best practice research, analysis and design reports, current environment assessments, reengineering options, white papers, and conceptual designs/business cases. The scope and work of each initiative is different, thus the final product will be unique for each initiative.

Project workplans contain the breakdown of work to be completed during a specified time period. Team Leads use workplans to manage the progress of their projects.

- A workplan template was created and altered to fit the needs of each project team. Each project completed project start-up activities, and are in the process of completing current environment assessment activities, reengineering/improvement opportunity analysis, conceptual design/business case development, and on-going project management tasks.

- Facilitators worked with Team Leads to create each project workplan (referenced in Appendix C). Once the project workplan was completed, Team Leads distributed the document to their teams and discussed roles, responsibilities, and expectations.

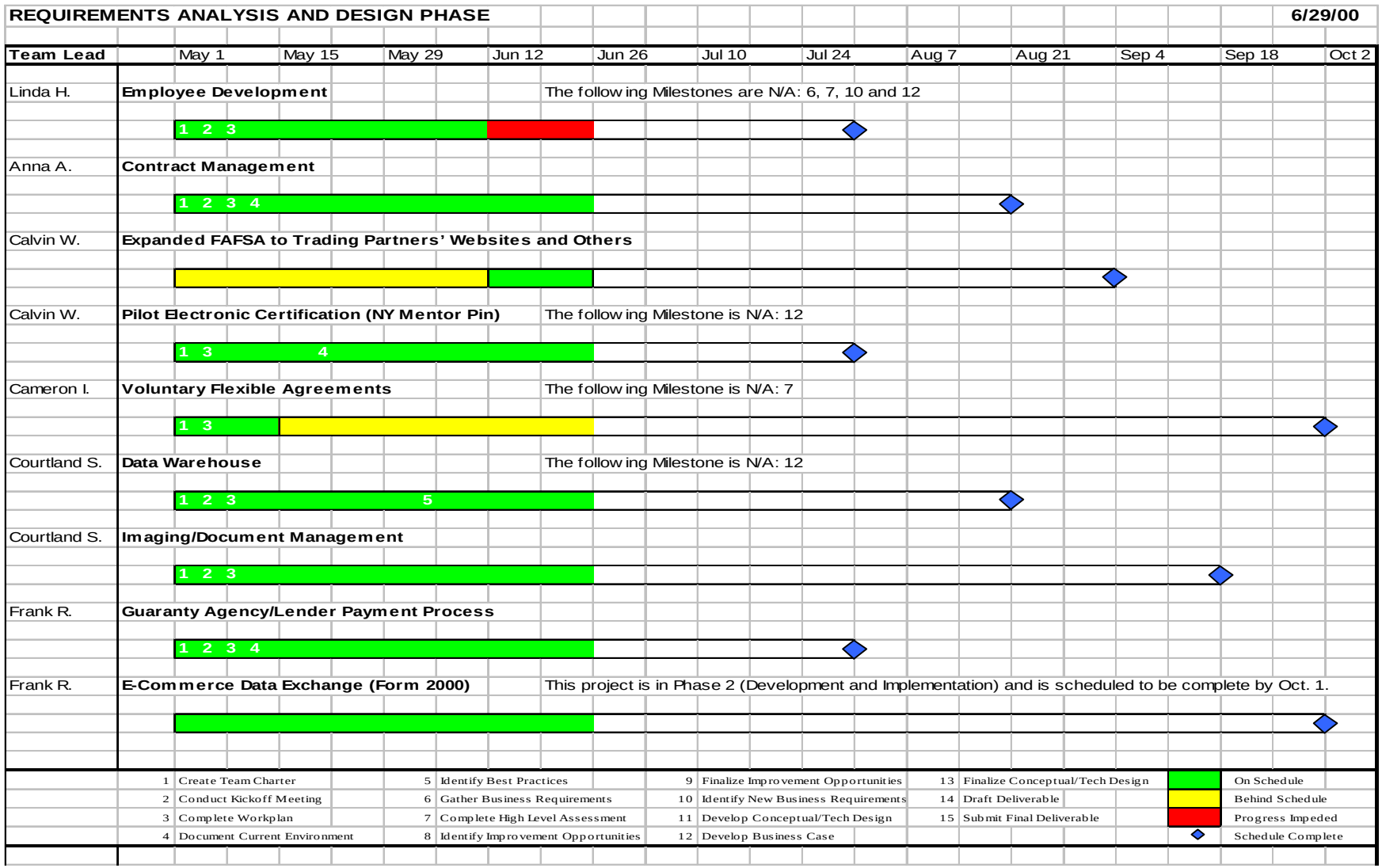
The Program Progress Tracking Report is used to track the overall status of the program.

- Members of the Financial Partners Channel provided feedback concerning the usefulness of the Program Delivery Tracking Report to accurately indicate the status of a project.

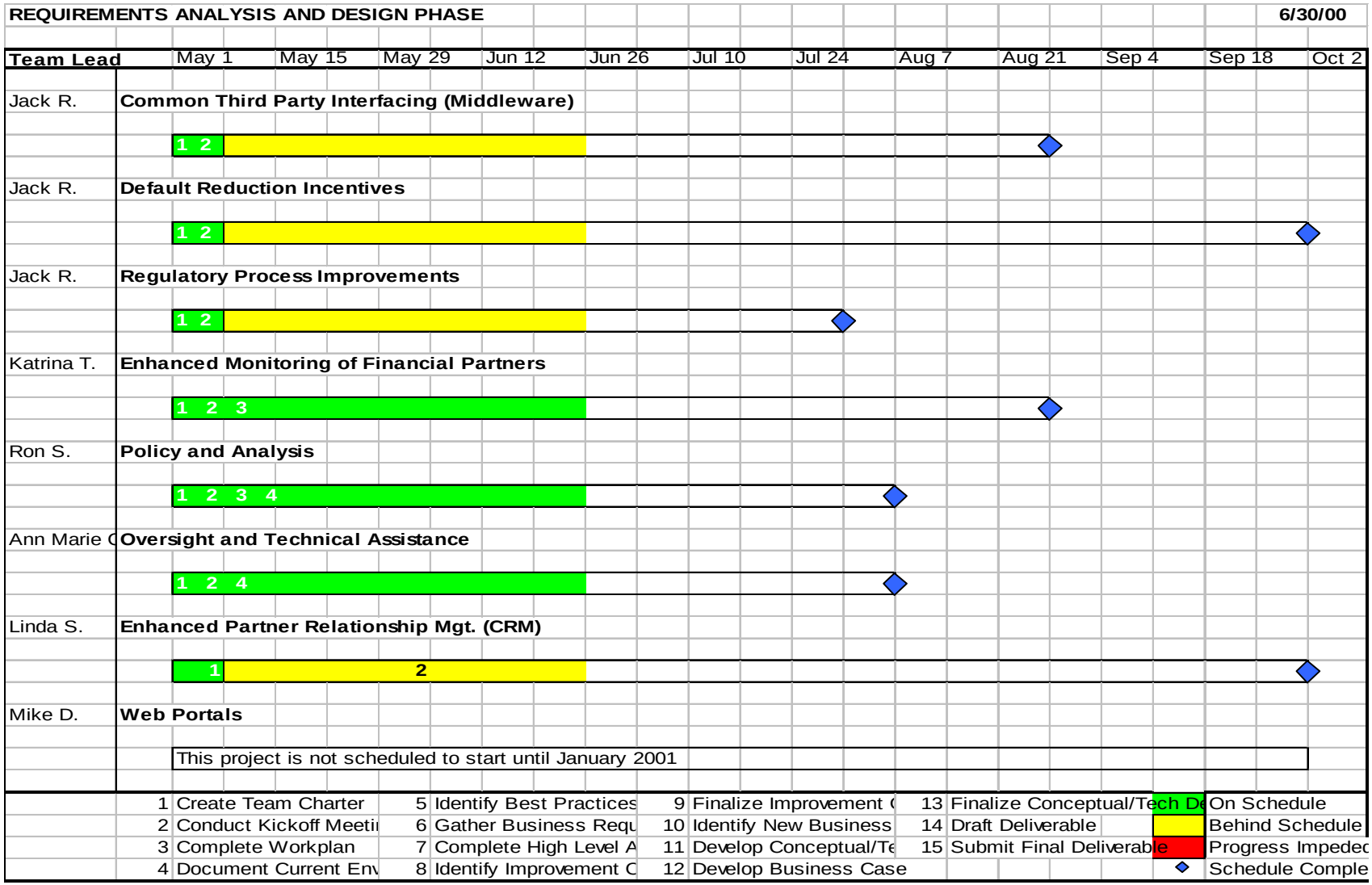
- Based on this feedback, the report has been replaced with the Program Progress Tracking Report. This new report uses a bar chart format similar to a Gantt Chart and identifies the status of projects through the use of a pattern and color scheme.

- The Program Progress Tracking Report (see next page) is updated bi-weekly and only indicates the workplan items which have been completed for each initiative. The pattern and color scheme indicate if an initiative is on schedule, behind schedule, has its progress impeded, or has completed all tasks.

Program Progress Tracking Report: (page 1 of 2)



Program Progress Tracking Report: (page 2 of 2)



Quality Management will provide a structured and consistent approach to developing a continuous improvement plan for the project deliverables. Quality Management improves the quality of all areas by sharing knowledge and by regularly assessing program processes.

- The Quality Management Review (QMR) process ensures FPT work products, project management processes, high-level development processes, and day-to-day practices conform with the program's documented processes and standards.

- QMRs document the detailed activities, their time frames, scope, and participants of the QMR process. This process reviews the project objectives, the roles and responsibilities of each participating member of the project team, and the workplan tasks associated with each project.

- The QMR serves as a method for defining, measuring, and monitoring commitment to quality by all team members of the FPT project as part of overall quality management.

Quality Management when applied consistently at all levels of the project, can have a profound impact on the consistent use of standard practices and the take-up of new processes.

- The purpose of the QMR is to independently verify and validate that activities and work products are executed and developed according to program documented processes and standards.

- The FPT Project Plan and workplan should reflect quality management activities for the FPT and should allow for adequate resources, specify dates, and assign responsibilities. Adherence of work products and activities to the applicable standards, procedures, and requirements is objectively verified.

- Issues that cannot be resolved by the project Team Leads are addressed by senior management. By having a formal escalation policy and defining time boxes for responses, sensitive issues are more likely to be dealt with before a crisis occurs.

The QMR includes a review of requirements, project tracking including issue/risk management, and planning and estimating. The schedule for the review of FPT development, project management activities, and work products through the QMR function is identified in the matrix below.

SAMPLE

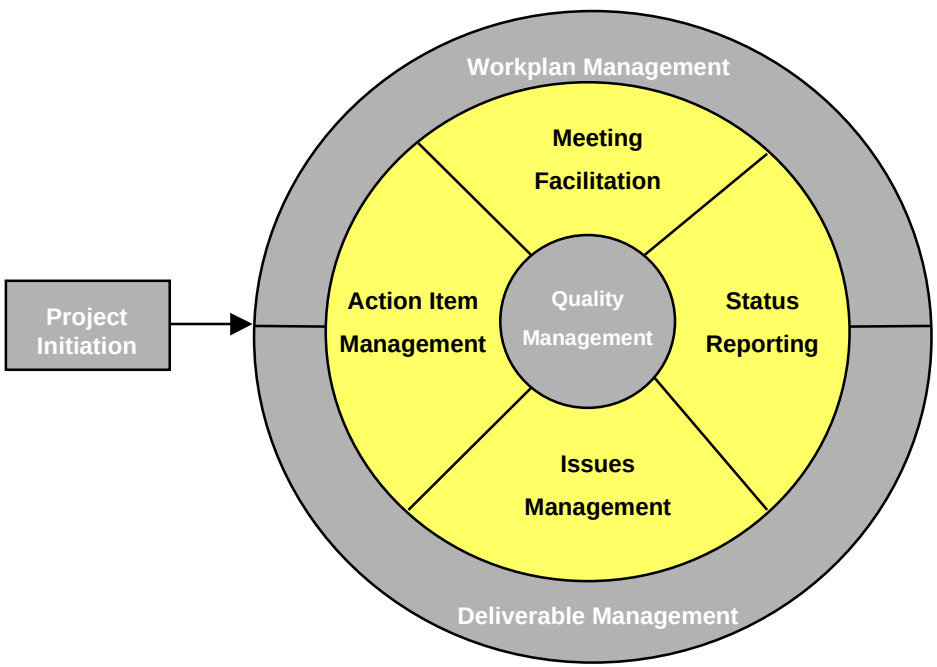
Deliverables/ Processes for Quality Management Review	Reviewer Report Completed			Team Lead Response Completed		Team Lead Actions Completed		Comments
	Planned Date	Actual Date	# of Issues	Planned Date	Actual Date	Planned Date	Actual Date	
Data Warehouse Conceptual Design	8/00							
Imaging/Document Management Conceptual Design	8/00							
Reengineering Options and Analysis	8/00							
Common Third Party Conceptual Design	8/00							
Pilot Electronic Certification Conceptual Design	8/00							

Quality Management is a key driver for meeting project objectives as illustrated below.

Goals of Quality Management	Processes/Actions Used to Carryout Goal	Impact of Poor Quality Management
Creating and reinforcing values and expectations of all stakeholders (customer, employees, suppliers, partners, community, and the public),	• Communicating status and progress to stakeholders in a timely fashion • Providing a consistent message • Reviewing processes and deliverables • Reviewing and managing stakeholders expectations	Mismanaging or misunderstanding stakeholders' expectations may result in stakeholders' being unsatisfied with the end product / deliverable. As a result, the project may come under criticism.
Setting direction and performance excellence through planning	• Enforcing performance standards • Developing a quality management plan • Creating a process for performance reporting • Utilizing workplan to judge progress and anticipate impact on quality of deliverables • Revisiting project charter/taskorder to ensure that direction is consistent with original goals	If performance standards and processes are not clearly defined or considered in the planning stages of the project, all project objectives may not be successfully achieved.
Managing and validating overall engagement performance	• Utilizing performance reporting • Conducting Status meetings • Updating charts/unit performance barometers	The lack of consistent performance tracking can result in missed deadlines or deliverables with "questionable" quality.
Removing barriers	• Anticipating future barriers • Communicating and receiving feedback from stakeholders and team members the goals, objectives, and training • Creating and planning contingencies	The inability to plan and anticipate risk or barriers may result in constant "fire fighting" mode which could delay the project.
Building agreement	• Conducting regular status meetings • Implementing a set review process for approval of deliverables • Consistently reviewing and reiterating original goals and expectations • Conducting team building activities	Lack of consensus or clear communication amongst/to stakeholders can confuse the direction of the project. Without a formal review process, stakeholders may not sign-off or be satisfied with the project deliverables.

- **Project Management Approach**
  - **Project Facilitation**
    - **Meeting Facilitation**
    - **Status Reporting**
    - **Issues Management**
    - **Action Item Management**

Project Facilitation methods ensure that project objectives are met. Facilitators and Team Leads have implemented project management tools to manage the project work efforts and achieve consistent progress.



Project Facilitation Processes and Tools

- Meeting Facilitation - Team Leads Meeting Minutes
- Status Reporting - Bi-weekly Summary Status Report
- Issues Management - Issues Log
- Action Item Management - Action Item Log

Weekly Team Leads Meetings are a forum for the FP Transformation Team Leads to share the status of their project and escalate any issue or action items.

- Weekly Team Leads Meetings promotes knowledge exchange and open discussion between the multiple initiatives. Meeting minutes (referenced in Appendix D) are distributed weekly to summarize the highlights presented by Team Leads.

- The attendance by the Team Leads at the weekly meeting has fluctuated considerably while a few have not attended since the initial meetings. The input from all Team Leads at this weekly meeting is an important part of communicating vital information to the team members and facilitators and is currently being underutilized.

The Summary Status gives a brief highlight and update on the main areas of the project initiatives within Financial Partners based on the weekly or bi-weekly input from the team leads.

- Summary Status Reports (referenced in Appendix E) are compiled on a bi-weekly basis. This report is used as a vehicle to inform all Team Leads and their associated teams of the progress and issues that affect their team.

- Included in the Summary Status Package are the Issues log (with only the “high” issues), a listing of key meeting dates, and the latest program process tracking schedule.

- Five bi-weekly status reports have been completed over the last two months and distributed to Team Leads in Headquarters and the regions, and to the General Manager.

- The majority of the project teams have consistently completed weekly status reports which provide input to the Summary Status Package.

Managing issues ensures project milestones can be met.

- Issues have been identified as the Financial Partners Transformation progresses. Issues are captured in an issue log and are assigned to specific Team Leads for resolution. Issues are categorized into four levels of importance based on their impact to the project goals, objectives, timeliness and cost.
  - **Urgent** - stops work effort; drastic schedule and/or scope change; escalate to senior management on weekly status report
  - **High** - adversely impacts work effort, schedule, and/or scope; may need to be escalated to senior management if not resolved in a timely manner
  - **Medium** - may negatively impact work effort, schedule, and/or scope; usually can be resolved internal to team
  - **Low** - minimal impact

The FP Issues Log below captures key issues, responsibilities, key dates, steps towards resolution, and tracking information.

Issues Log

	DATE LOGGED	ISSUE DESCRIPTION	IMPACT	PRIORITY	ASSIGNED TO	STATUS	RESOLVE DATE	ACTION REQ'D/ RESOLUTION
1.	4/19/00	**(Enh. Ptr. Relationship Mgt.)** Need to identify GA's to be represented on GA focus group based on NCHELP recommendations.	GA focus group progress cannot be made until team is identified.	High	L. Stoddard	Open	6/30	Working with Kristy Hansen to identify GA/ Lenders focus group members.
2.	5/3/00	**(Voluntary Flexible Agreements)** Unsure of VFA legislation, reporting metrics	Progress cannot be made until VFA legislation is received	High	C. Ishaq	Open	7/7	Revisit VFA legislation and Departmental releases on VFAs to determine metrics (if any). Pending receipt of up-to-date version of written legislation
3.	5/03/00	**(Cross-Project)** Need to communicate with Partners about FP projects	Lack of communication is resulting in confusion internally and externally about transformation	High	Carrie Smith/ Frank Ramos	Open	7/19	Creation of a two page description of projects and organization of projects to distribute to partners and possibly put on website. Waiting for internal communication to run course before distributing communication to Partners
4.	6/7/00	**(Cross-Project)** Need to address overlap between initiatives	Multiple requests for information are confusing community and channel members	Medium	Team Leads	Open	9/31	Teams Leads should attend or send a representative to the Team Leads meeting and to review all coorespondence provided to help identify overlap and resolve resulting issues
5.	6/7/00	**(Cross-Project)** Need for training on tools	Channel members require training on tools introduced in the Transformation	Medium	Team Leads/ J.Bos-Beijer	Open	9/31	This issue will be addressed with SFA HR as part of the overall training plan

Action items management provides a means of maintaining focus on the most important items that can affect the project schedule, cost, and scope.

- Each week action items are captured, delegated and ultimately closed upon completion of the item. The action items are captured in an action item log (see below) and are distributed to Team Leads in a weekly package.

- The action item log assists in prioritizing routine tasks and identifying possible areas of concern.

Action Item Log

#	DATE LOGGED	ACTION ITEM DESCRIPTION	ASSIGNED TO	IMPACTED AREAS	DUE DATE	STATUS	COMMENTS
1.	06/15/00	Communication within the Financial Partners channel and to external partners. Design a vehicle to describe the work taking place in the Financial Partners Transformation	Change Agents, Kristine Young	FP	7/19/00	Open	
2.	06/28/00	Verify the scope of the FAFSA on the Web IPT	Carrie Smith	Enterprise	7/5/00	Open	
3.	06/28/00	Provide Calvin with a list of GA website reviews	Reggie Ewing	FP	7/5/00	Open	
4.	06/28/00	Provide contact person with action plans from PBO on the Frontlines training	Calvin Whitaker	FP	7/5/00	Open	

- **Project Management Approach**
  - **Next Steps**

In order to prepare for the Delivery and Implementation phase the project management team will focus on key steps during the next two months:

- Roll-out a Conceptual Design template (referenced in Appendix F) to the Team Leads in early July. The Conceptual Design template will be provided to team leads to capture information and materials gathered by project teams during the analysis and design phase.

- Schedule Quality Management Reviews with the Team Leads to review the status of their deliverables in early August and mid September.

- Work with the Team Leads to develop workplans for the Implementation phase in early September.

- Continue to revise the program management plan, the program delivery model, and the program delivery schedule, to maintain alignment to SFA's Five Year Performance Plan and prepare for the Implementation phase.

- **Appendix A - FPT Crosswalk Document**

- **Appendix B - Team Charters**

- **Appendix C - Program Workplan**

- **Appendix D - Team Leads Meeting Minutes**

- **Appendix E - Summary Status Reports**

- **Appendix F - Conceptual Design Template**